



GRANICUS

govService

Host Compliance

Pflugerville

Mike Bozich
September 2023

Monitoring Short-Term Rentals (STRs) presents both widely known and underappreciated challenges



Getting **visibility** into STR data is **nearly impossible**



Manual processes weigh on my team and **drain our budget**



Our **internal alignment** is ineffective and **suffers**



So much of my **time is wasted** on **finding more room in the budget**

 **<10%**

Of STR owners voluntarily get registered and pay all of their taxes

 **20-30%**

Issues with STRs growing at an alarming rate year over year

The Short-Term Rental Market is Exploding

Many communities are struggling to define and enforce regulations that preserve community character and keep communities safe while ensuring revenue collection.



15x

the # of short-term rental listings since 2011



27

global markets have seen home rentals outperform hotels in the last year



100s

of different platforms make it nearly impossible to manually track STR property listings



239%

Increase in STR related party complaints in the last year

Without compliance, local government knows STRs bring significant challenges

» Lost economic opportunities

» Diminished neighborhood character

» Impact on housing affordability

» Wasted time and money



The Case that Short-Term Rentals Actually Make Our Neighborhoods Stronger

Kira Wilson · September 25, 2019

News | Technology

Tech challenges (and coronavirus) were the focus for rental managers in 2020

By Linda Fox | December 22, 2020



The New York Times

Airbnb Fights Its 'Party House Problem'

Noise. Damages. Safety questions. Airbnb is racing to address the risks posed by partying guests before it goes public.

Forbes

Dec 2, 2020, 11:20am EST | 511 views

The Growth And Challenges Of Vacation Rentals In The Age Of Covid

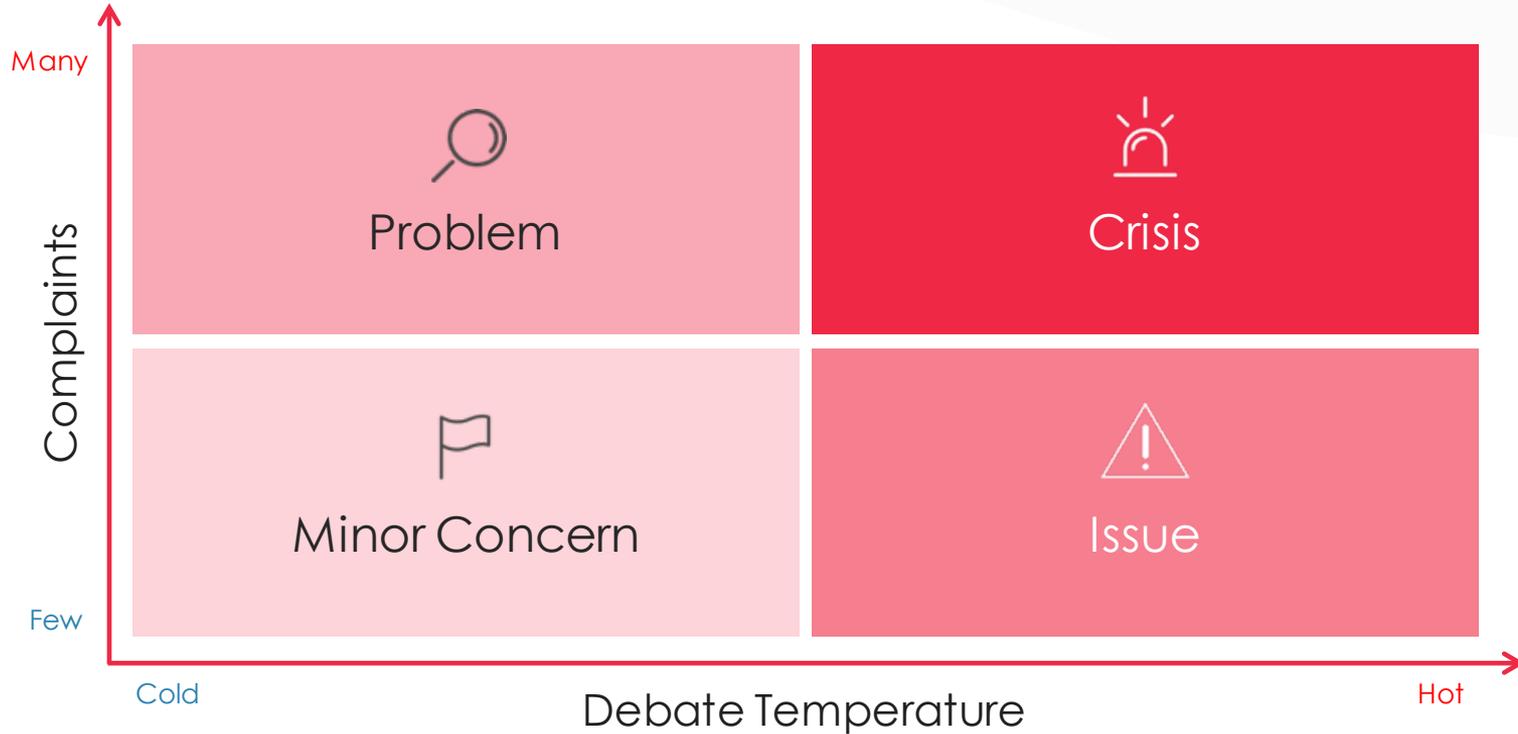


✓ —
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✓ —

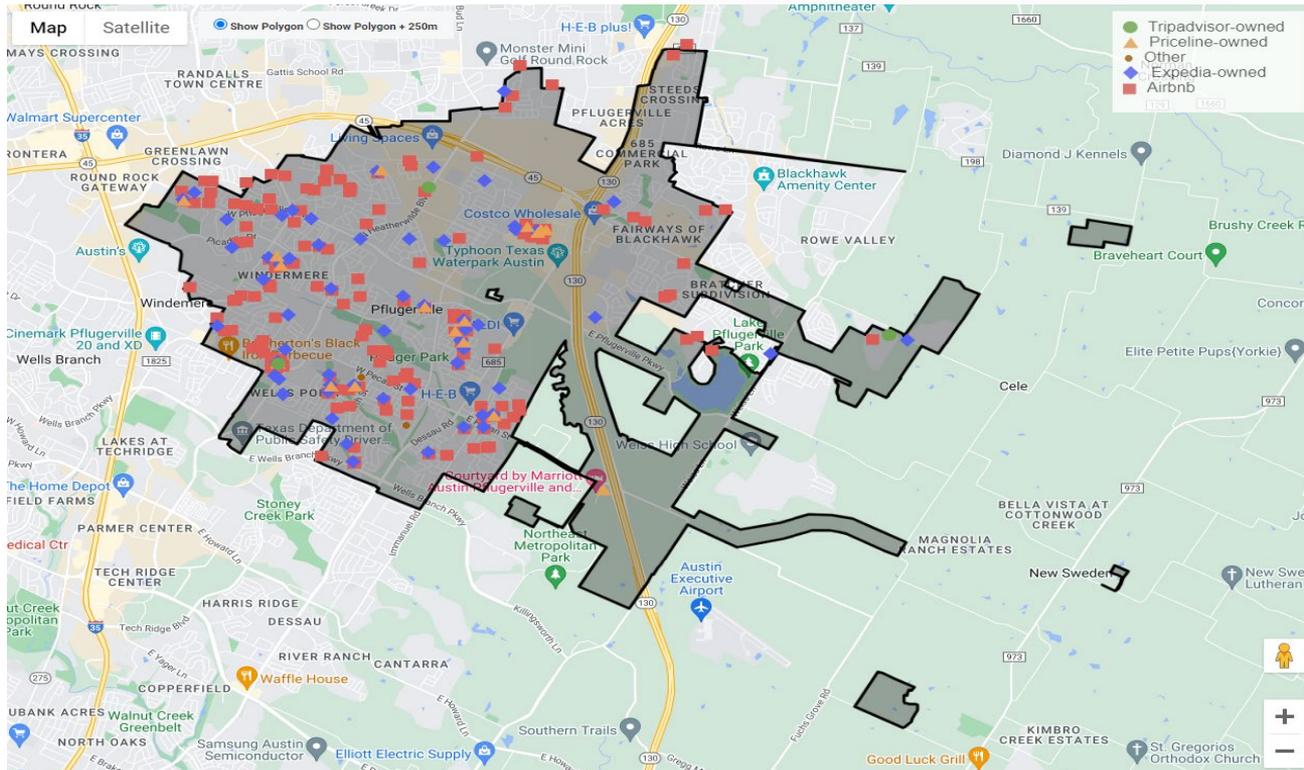
What Are Your Top Priorities?

- Reduce noise, parking, traffic and trash-problems
- Eliminate party houses
- Reduce STR impact on neighborhood character
- Ensure building safety
- Improve responsiveness to neighbor complaints
- Stem STR impact on affordable housing availability
- Improve permit and tax compliance to increase tax revenue
- Ensure a level playing field between law abiding traditional lodging providers and illegal STRs
- Reduce tension between short-term rental property owners and their neighbors
- Make citizens aware that STR problems are taken seriously

How big of a challenge are short-term rentals in Pflugerville?

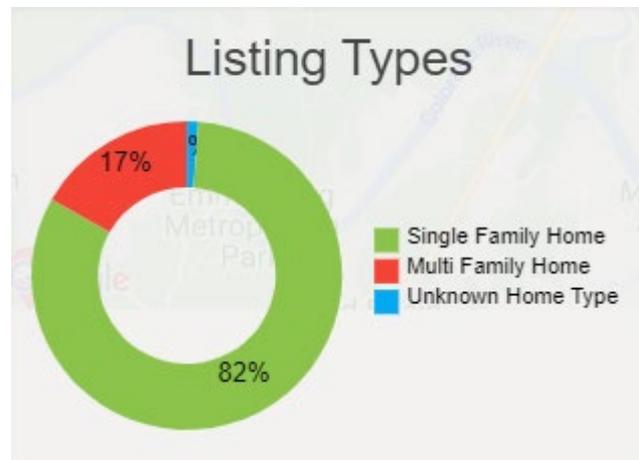
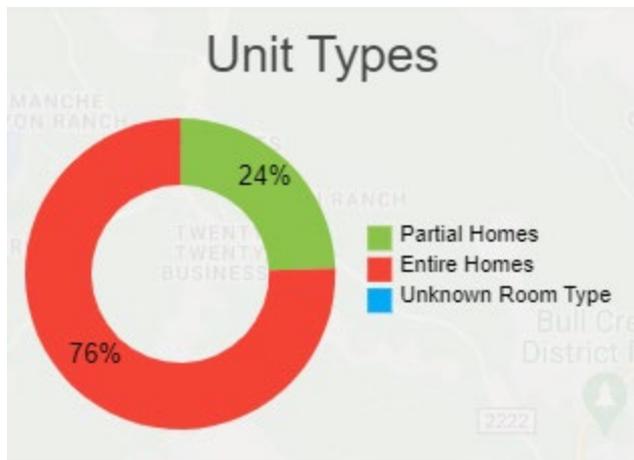


...and in Pflugerville we have identified 321 listings, representing 237 unique rental units* Short-termrentals in Pflugerville as of September 2023



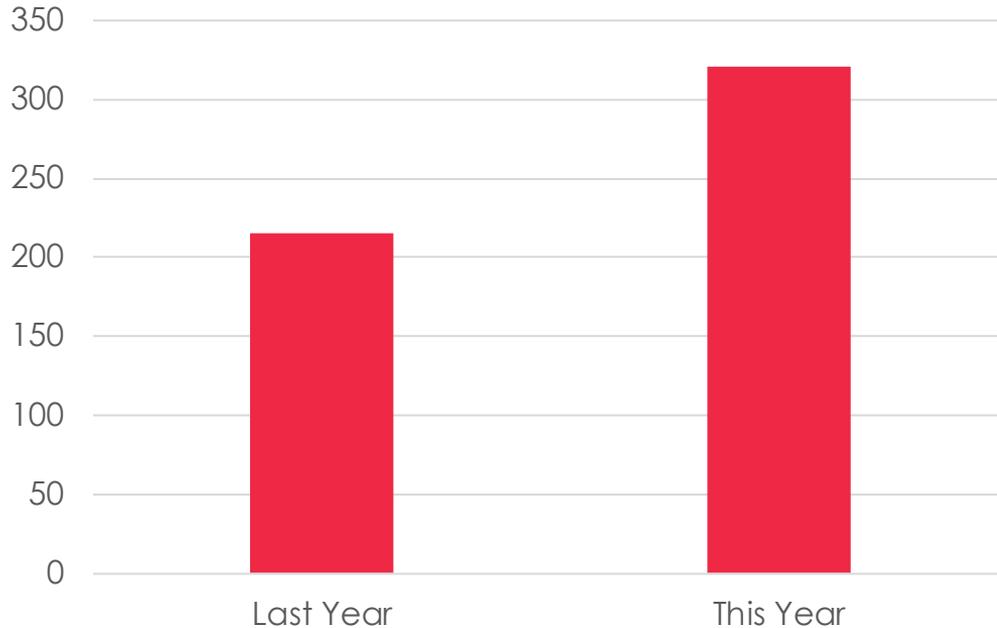
* Granicus Host Compliance's pricing is based on the count of listings and rental units that would need to be analyzed and monitored for compliance. In terms of listings, this number is 340 as we will expand our search area by several hundred yards beyond the borders of Pflugerville to capture all relevant listings. Source: Granicus Host Compliance Proprietary Data

Pflugerville STR Market Details



The number of short-term rental listings has grown 49% in Pflugerville over the last year

YoY Growth

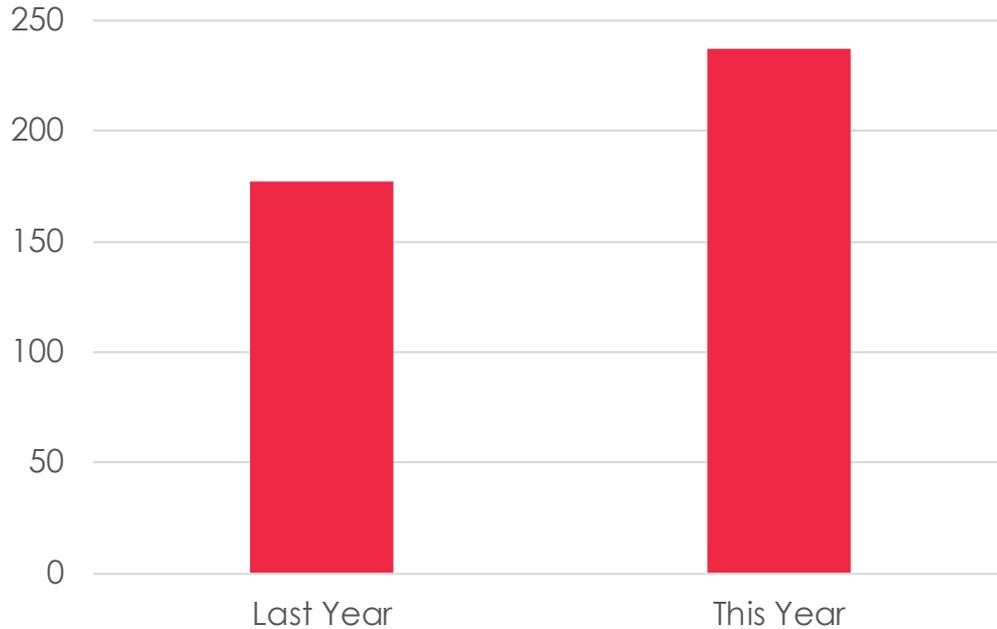


49%
YoY Listing Growth



Counting only unique rental units, Pflugerville has seen 34% growth since last year

YoY Growth



34% *YoY Rental Unit Growth*



True Compliance Requires a Holistic Approach

Identifying STRs alone isn't enough. You need to...

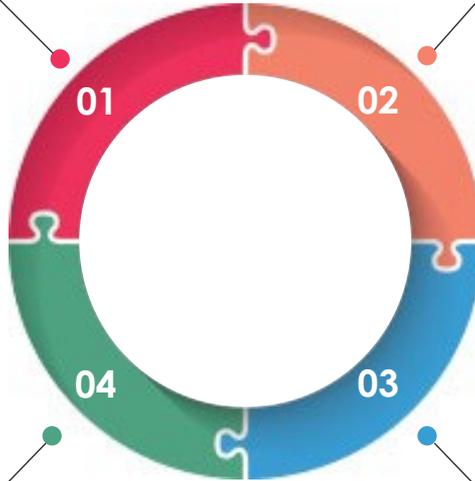
Understand the market

Understand the size and scope of short-term rentals in your community



Identify revenue loss

Ensure your community has identified every opportunity for revenue capture, creating an even playing field for all types of providers and residents



Automate and save

Support greater staff efficiency with impactful tools and process automation to help implement and enforce fair regulations



Protect the community

Ensure all lodging providers meet health and safety standards; develop short- and long-term plans to create, grow, or revitalize a community or area





Subscriber Network
A network of 250M citizen subscribers



govAccess

Transactional websites designed for today's citizen



govService

Online citizen self-service solutions and process automation



govMeetings

Meeting agendas, video, and boards management



govDelivery

Targeted email, text, and social media communications



govRecords

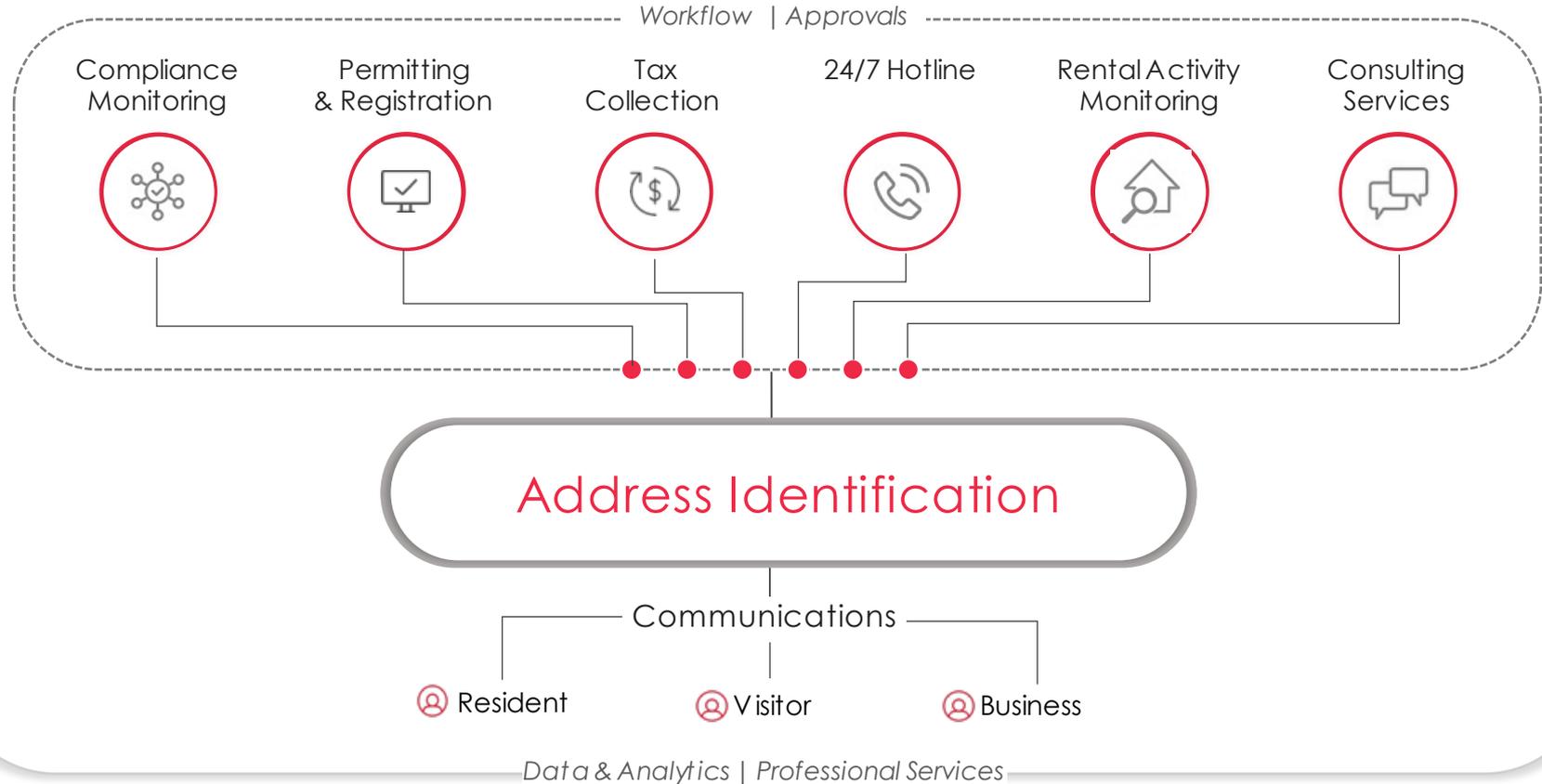
Paperless records management



Granicus Experience Group

A strategic team of experts delivering managed services

govService **Host Compliance**



Address Identification technology and processes make it possible to easily monitor the STR market and find the addresses and owners of all identifiable STRs

1

Scan

We scan the world's 60+ largest STR websites for all listings

2

Extract

We identify each listing and extract as much information as possible to allow our AI models to narrow down the list of possible address/owner matches

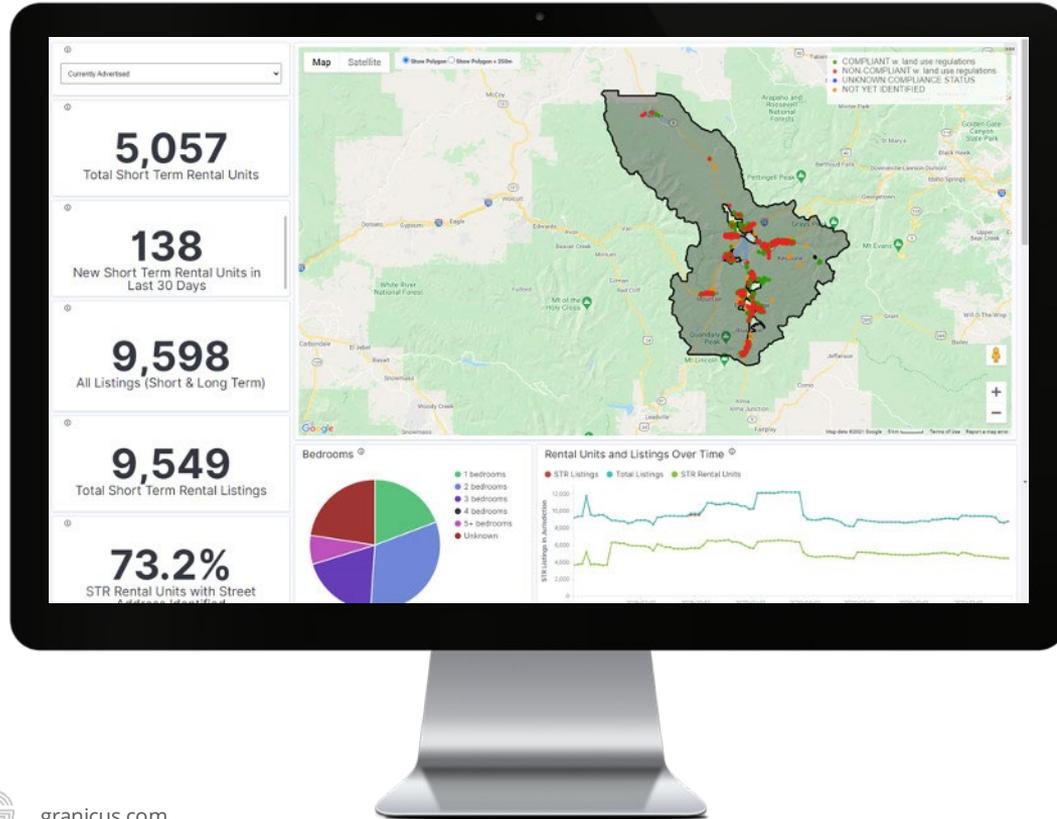
3

Combine

We combine AI and human analysts to identify the exact addresses and owner information for each identifiable STR

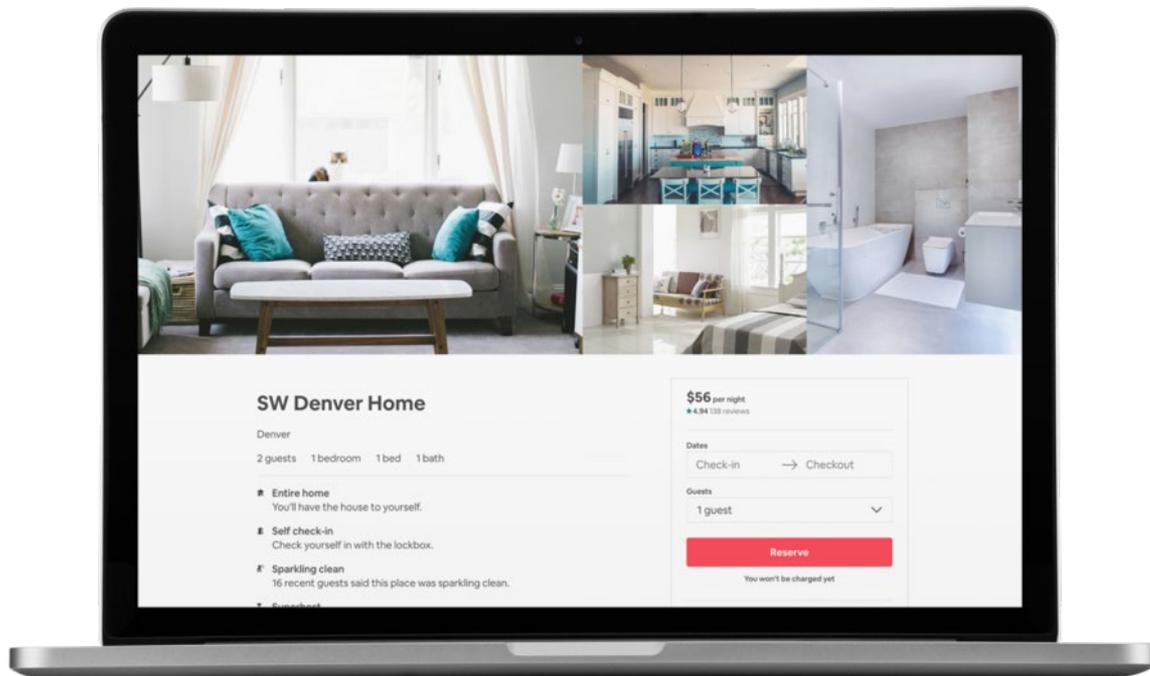
Address Identification

monitors the STR market and finds the addresses and owners of all identifiable STRs



The data and screenshots are made available to authorized users in an easy-to-use online dashboard and records management system and easily exported in Excel/CSV format

Use software to **automate the systematic capture of listing screenshots**



Full Screen



Listing status, metadata and full-screen screenshots are time stamped and made available in real time on the **rental unit record**

The screenshot shows the 'Rental Unit Record' page for a property at 9750 Ryan Court Rd, Steamboat, CO 80488, USA. The status is 'Active', 'Identified' (with a green checkmark), and 'Compliant' (with a red X). There are buttons for 'PRINT' and 'SEND A LETTER'. The page is divided into 'Listing(s) Information' and 'Rental Unit Information' sections. The 'Listing(s) Information' section includes a video player and a gallery of images. The 'Rental Unit Information' section includes a map, address, unit number, and coordinates.

The screenshot shows the 'Listing Details' and 'Timeliness of Activity' sections. The 'Listing Details' section includes fields for Listing UHL, Listing Status (Active), Listing Title, Property type, Room type, Listing Info Last Captured, Screenshot Last Captured, Price, Cleaning Fee, Contact Name, Phone, Latitude, Longitude, Minimum Stay (# of Nights), Max Sleeping Capacity (# of People), Max Number of People per Bedroom, Number of Reviews, and Last Documented Stay. The 'Timeliness of Activity' section shows a timeline of events and documentation pertaining to the property, including documented stays, listings removed, and listings first crawled.

Event	Date	Status
1 Documented Stay	March, 2021	Active
3 Documented Stay	February, 2021	Active
Listing air45098760 Reposted	February 15th, 2021	Active
Listing air45098760 Removed	February 10th, 2021	Removed
7 Documented Stay	January, 2021	Active
Listing air45098760 Reposted	January 6th, 2021	Active
Listing air45098760 Removed	January 3rd, 2021	Removed
1 Documented Stay	December, 2020	Active
Listing air45098760 Identified	September 26th, 2020	Identified
Listing air45098760 First Crawled	August 27th, 2020	Crawled
Listing air45098760 First Activity	August 27th, 2020	Activity

Provide documented evidence of every address match to support all of Pflugerville's enforcement efforts

Example of Searchable Evidence

Matched Details

Analyst IXMJ

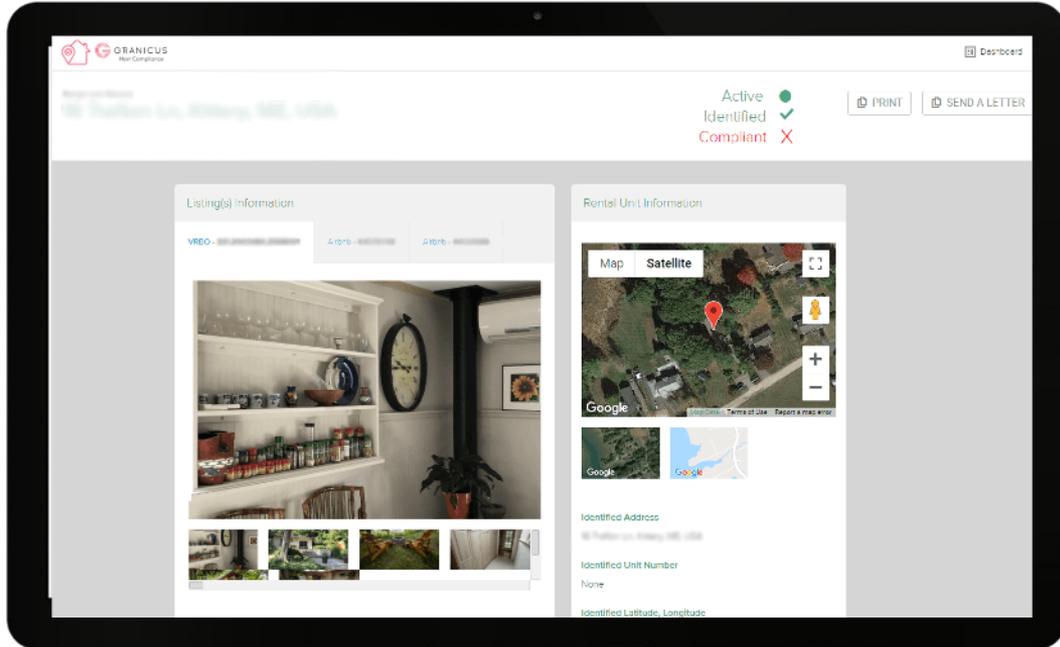
Explanation
The exterior shown in the listing photo has all of the identical features to the one shown on the assessor website. The property is hosted by [redacted] and [redacted], which matches the two owners listed by the assessor.

Listing Photos **Matching 3rd Party Sources**

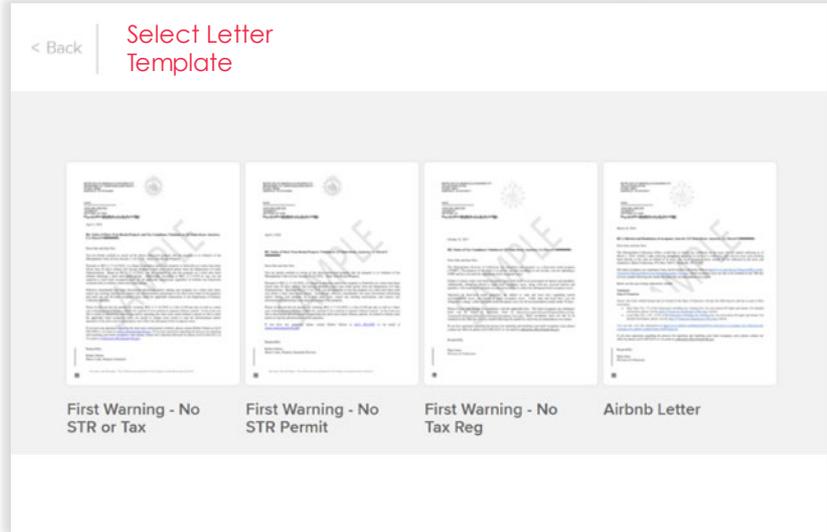
Same exterior.

[redacted] and [redacted] mentioned as hosts, they are owners of property.

Compliance Monitoring allows you to stay in control and save time by sending your enforcement letters with the click of a button

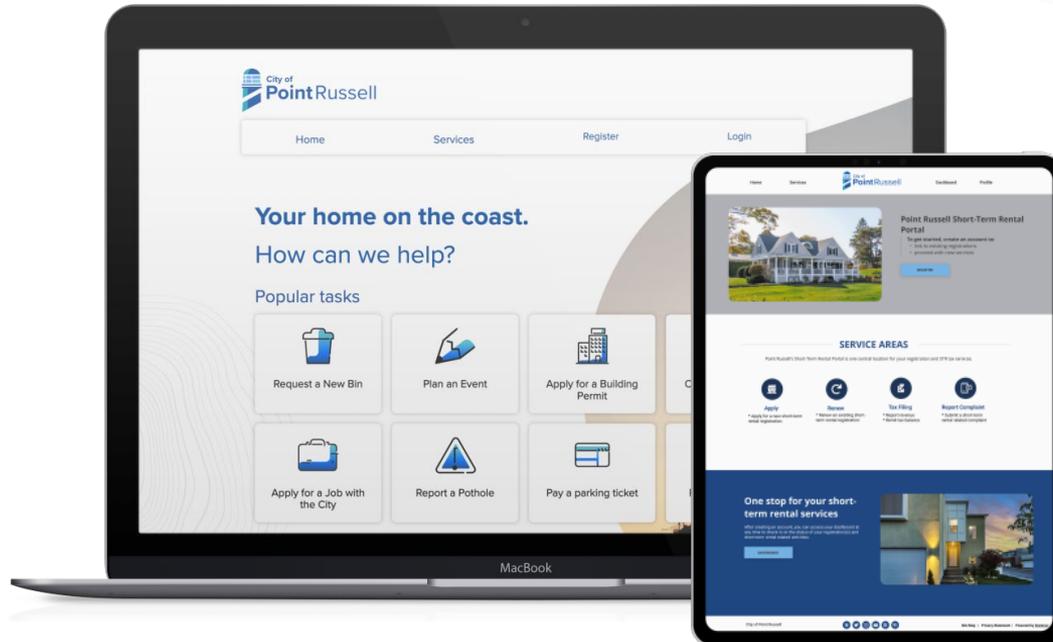


 SEND A LETTER



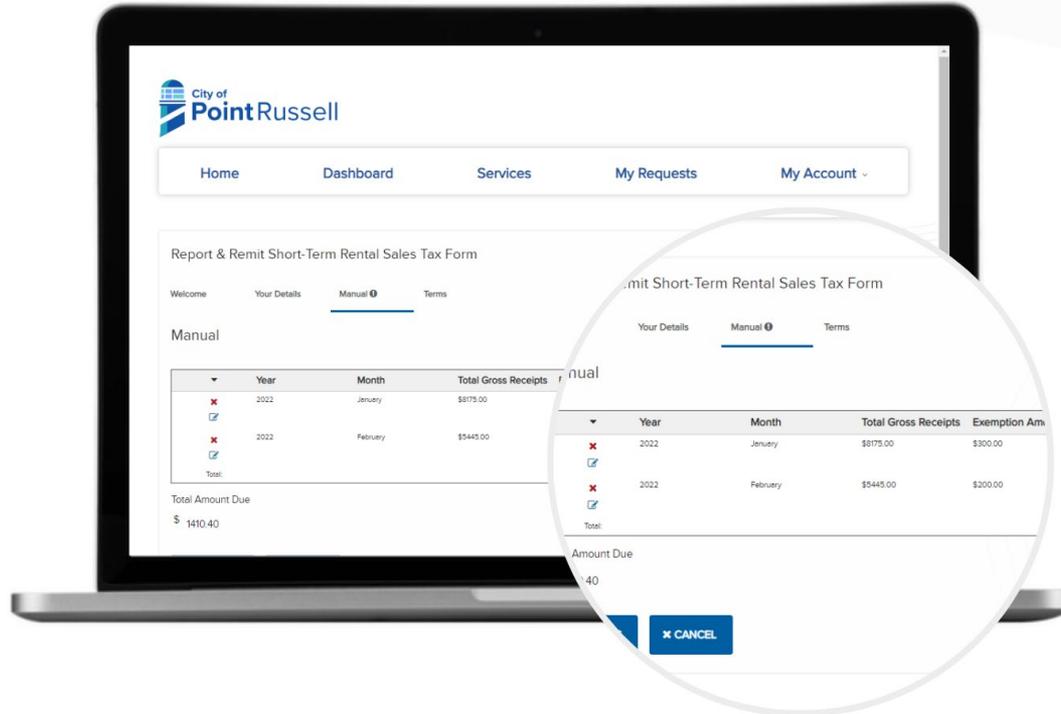
Mobile Permitting & Registration

Simplify Pflugerville's permitting, license or registration processes and significantly reduce the administrative costs on the back-end



Tax Collection

Simplify Pflugerville's tax collection process and significantly reduce the administrative costs on the back-end



Tax Collection

Simplify Pflugerville's tax collection process and significantly reduce the administrative costs on the back-end

Please enter the taxable receipts for listing 1/2: <https://www.airbnb.com/rooms/XXXXXXXX>.
If you have had \$0 taxable receipts for a given quarter, please enter \$0.

Taxable receipts INCLUDE, but are not limited to, nightly rents, weekly rents, standard cleaning fees, pet fees, internet charges, late check-out fees, extra person fees, and resort fees. Taxable receipts EXCLUDE refundable deposits and any additional items included in a special package rate, such as ski passes, or other recreational activity or additional service subject to sales tax.

January 2019 to March 2019		
<small>Taxable receipts e.g. \$2000*</small>	<small>No. of nights occupied e.g. 22*</small>	
\$2,000	30	:
April 2019 to June 2019		
<small>Taxable receipts e.g. \$2000*</small>	<small>No. of nights occupied e.g. 22*</small>	
\$1,000	15	:
July 2019 to September 2019		
<small>Taxable receipts e.g. \$2000*</small>	<small>No. of nights occupied e.g. 22*</small>	
\$3,000	45	:
October 2019 to Decemeber 2019		
<small>Taxable receipts e.g. \$2000*</small>	<small>No. of nights occupied e.g. 22*</small>	
\$10,000	200	:

24/7 Hotline makes it easy for neighbors to report, substantiate and resolve non-emergency STR incidents in real-time

1

Report

Concerned neighbor calls 24/7 short-term rental hotline or reports incident online

2

Proof

Complainant provides info on alleged incident and is asked to submit photos, videos or other proof of the alleged violation

3

Resolution

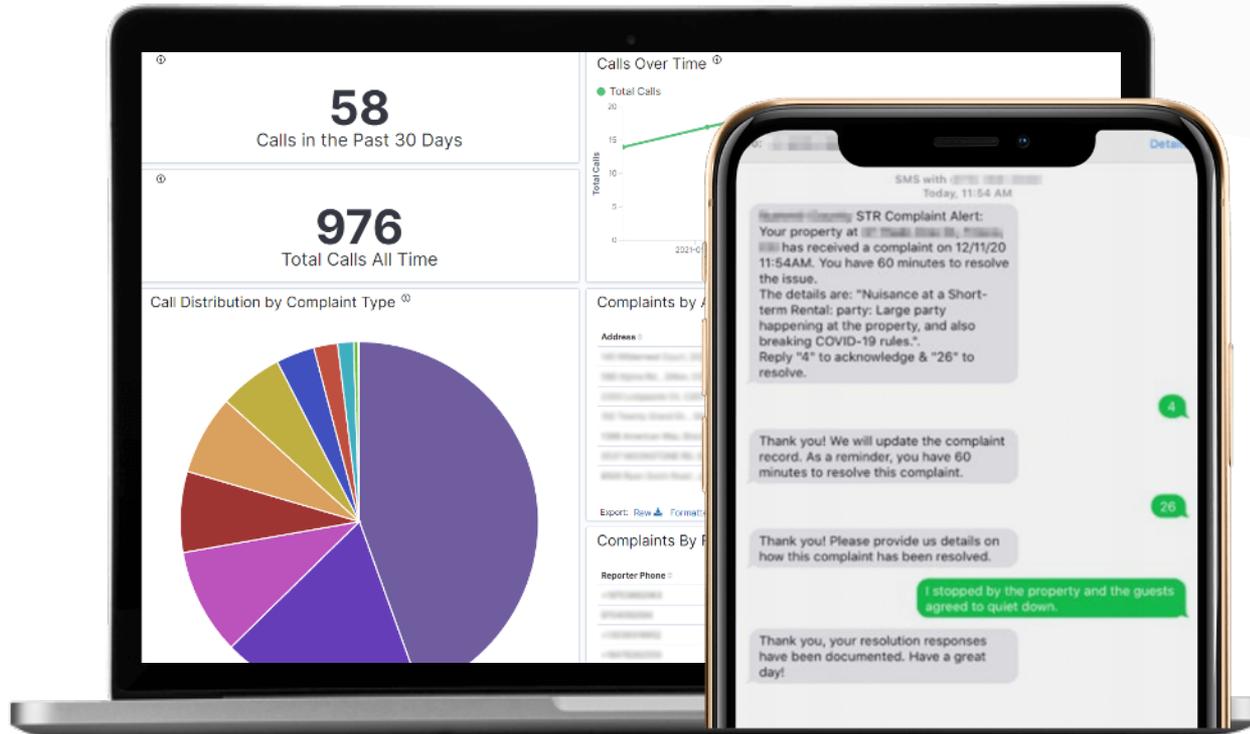
If property is registered, Granicus Host Compliance immediately calls and texts host/emergency contact to seek acknowledgement & resolution

4

Complete

Problem solved – complaints & resolution notes saved in database so serial offenders can be held accountable

Get detailed reports and dashboards to track all short-term rental related complaints in real-time



Rental Activity Monitoring

automates the selection of audit candidates to maximize the impact of audit efforts

The screenshot shows the 'Host Compliance' software interface. The main title is 'Revenue Estimate by Rental Unit'. A search bar at the top indicates '1 filter applied: Showing 1 to 16 of 16 entries'. Below the search bar are filter options: 'Add or Remove Filters', 'Pre-Defined Filter Combinations', and a legend for 'Reported Revenue less than Documented Revenue = Yes' with a 'Clear all filters' button. The table below is titled 'Revenue Estimate by Rental Unit since January 01, 2020'. A circular magnification highlights a portion of the table, showing the 'Reported Revenue (USD)' and 'Reported Revenue less than Documented Revenue' columns.

Host Compliance Rental Unit ID	Unit Permit/Registration Numbers	Address	Parcel Number	Unit Number	Estimated Gross Revenue (USD)	Reported Revenue (USD)	Reported Revenue less than Documented Revenue
Zq9xKZcuYutM3fZ	TEST19-0007	50 Pleasant Hill Street, Apt. 202, Boston, MA 02116, USA	1946		\$124,350.91	\$23,400.00	Yes
Uw8HeREuub54pLZK	TEST20-0047	50 Pleasant Hill Street, Apt. 202, Boston, MA 02116, USA	2716		\$74,916.85	\$16,400.00	Yes
HyE-ERE4-Mf9Wppe	TEST20-0001	1000 Massachusetts Avenue, Boston, MA 02118, USA	6914E		\$21,532.06		
x35jA0wEecpZEc	TEST19-0011	50 Pleasant Hill Street, Apt. 202, Boston, MA 02116, USA	3117		\$27,650.38		
Chu7BT13--yWMAjH	TEST20-0036	14 Thompson City Street, Boston, MA 02114, USA	6421		\$9,148.17		
J0Hm8q2k7UjDtr	TEST20-0048	14 Thompson City Street, Boston, MA 02114, USA	3430		\$84,484.36		
5-sfZ4P4QkZ2MO3	TEST20-0044	101 Washington Street, Boston, MA 02110, USA	1091		\$88,782.22		
Bu0wms88QMGBxK3	TEST19-0016	1750 St. Albans Street, Boston, MA 02116, USA	3121		\$34,973.34	\$6,010.00	Yes
4RX-CUuJ9RTol14f	TEST19-0004, TEST19-0010	150 Bruce Road, Boston, MA 02116, USA	6918		\$22,311.92		
ApV8e8Jfocyc8zH	TEST19-0017	80 Goodwin Street, Boston, MA 02116, USA	539		\$28,080.00	\$6,000.00	Yes
					\$500.00		Yes

Identifying tax fraud and occupancy/rental frequency violations by STR listings for signs of rental activity

Streamline the audit process by **requesting all backup information through simple, interactive online forms**

Host Compliance

Short-term Rental Audit

Please provide screenshot to validate the revenue you have just reported for the listing 1/2: <https://www.airbnb.com/rooms/XXXXXXXX>.
Nearly all online rental platforms provide various types of documentation. For example: https://www.airbnb.com/users/transaction_history?bwc=1#tax-report

Validation Documentation
(We will accept: PDF, PNG, JPG, JPEG, GIF, TIFF)

BACK

NEXT press Enter

If you encounter technical difficulties, please contact support@granicus.com.

Hosts can easily **upload** STR revenue statements to verify rental activity



Consulting Services

Short-Term Rental regulation creation, updates, and guidance from planning experts

- ✓ Experience with hundreds of communities including 1) access to proprietary regulations data that is the most trusted by government and 2) support on hundreds of regulations.
- ✓ Custom public outreach strategy and messaging framing.
- ✓ Complete draft of a custom short-term rental ordinance.
- ✓ Compliance monitoring and enforcement plan for staff and legal counsel to refine and adopt.

How can you make sure **all voices are heard** while considering short-term rental regulations?



Neighborhoods

- Organized neighborhood groups (including HOAs, etc.)
- Individual homeowners
- Renters
- Housing advocacy groups



Government

- Code Enforcement
- Planning & Zoning
- Public Safety
- Assessor



Lodging

- Existing STR host groups
- Individual STR hosts
- Realtors
- Current lodging providers
- Tourism Board

With **Bang The Table** community engagement in Pflugerville just got easier



Choose the right mix of online feedback tools for your community engagement objectives



Foster meaningful connections and build trust with your community



Deliver a seamless, closed-loop communication experiences for your citizens



Reach targeted audiences and use data to measure effectiveness

Alachua County, FL

Goal: To serve the public with integrity, innovation, fiscal responsibility, and respect.



From 20 to 464 identified short-term rental accounts



Tripled tax revenue from year one to year three



High ROI with a one-person team



Eased tensions within the local hospitality industry



Our mission is to serve the public with integrity, innovation, fiscal responsibility, and respect and Host Compliance has been a partner that has helped us achieve that mission.”

– Lee Tussinger, Tax Operations Specialist

HOST COMPLIANCE



Marin County, California

Goal: Create higher reach to rental owners and build better capability for code compliance.



2,000 STR listings in 2020



71%

STR compliance in the county



98%

Response in non-compliance outreach



"We have a higher reach and better capability to gain compliance with Host Compliance software. Now we are better able to reach out to property owners who we would either not have known about or found without using the system."

— Ashia Ismail, Collections Manager,
Finance, Marin County, CA

HOST COMPLIANCE



Lake George, New York

Goal: Identify short-term rental owners and addresses and collect accurate taxes.



Improved
process efficiency



67% increase in number
of permits issued



238% permit revenue
increase



“What a huge difference Host Compliance has made for us, not just in being able to permit, but in being able to ensure we are protecting the areas that need to be protected”

— Doug Frost, Code Enforcement Officer, Town of Lake George

HOST COMPLIANCE



Hood River, Oregon

Goal: A solution to rein in the STR listings and prevent housing costs from skyrocketing, while continuing to accommodate tourists and STR operators and preserving the unique character of the city.



95% Address identification



100% Revenue covered costs



0 New employees required



With Host Compliance, I love that there's no undertone of snooping or neighbors tattling on each other for code enforcement issues. It's just an automated system that finds listings via search, so it's not personal or invasive. The system treats all STR operators equally."

— Will Norris, Finance Director/ Interim City Manager, City of Hood River

HOST COMPLIANCE



Milpitas, California

Goal: Build an effective, data-driven STR compliance system from the ground up



75%

Response rate on the first two compliance letters



68%

Compliance on the initial letter



40+

Hosted properties



It shows that we can transition to online platforms and solve so many pain-points we normally run into with paperwork, signatures, payments, checks, cash compliance."

– Avery Stark, Associate Planner, City of Milpitas

HOST COMPLIANCE



Washoe County, NV

Goal: Identify listings, process complaints, and enforce new ordinance policies to keep pace with the changing STR market.



494 Calls to 24/7 hotline



84% ID rate



78% Ordinance Compliance



A lot of jurisdictions have this notification requirement that requires the responsible party be notified within 30 minutes of a complaint. The Granicus tool has helped us make that much easier."

– Chad Giesinger, Code Enforcement Planning Manager, Washoe County

HOST COMPLIANCE



San Luis Obispo County, CA

Goal: Decrease illegal STRs and complaints and increase collection of transient occupancy tax (TOT).



\$72K Recovered



600+ Illegal Listings Removed



2000 Hours Saved



From both a tax perspective and a land use perspective, Host Compliance has been very useful [to solving our short-term rental challenges]."

– Justin Cooley, Principal Financial Analyst



13%

Increase in compliance within months

HOST COMPLIANCE



Nashville, Tennessee

Goal: Increase fair tax collection from STRs.

Number of STRs: 5700



\$2.8M

More Taxes Collected

Within the first year



>90%

Permits Held By STRs within the city



10x

ROI Increase in taxes pays for HC 10x over



Nashville, Tennessee Codes Department

Goal: Enforce their short-term vacation rental (STR) regulations to increase compliance.



5700

STR units per square mile



45%+

Increase in compliance



1400

STR units per employee



"Just the presence of Host Compliance has been a natural deterrent for those who might intentionally or unwittingly violate the laws regarding short term rentals."

— Jon Michael, Metro Zoning Administrator

HOST COMPLIANCE



Nelson, British Columbia

Goal: Achieve full STR compliance with new laws that preserved affordable housing.

Number of STRs:



39%

of Nelson housing are rentals



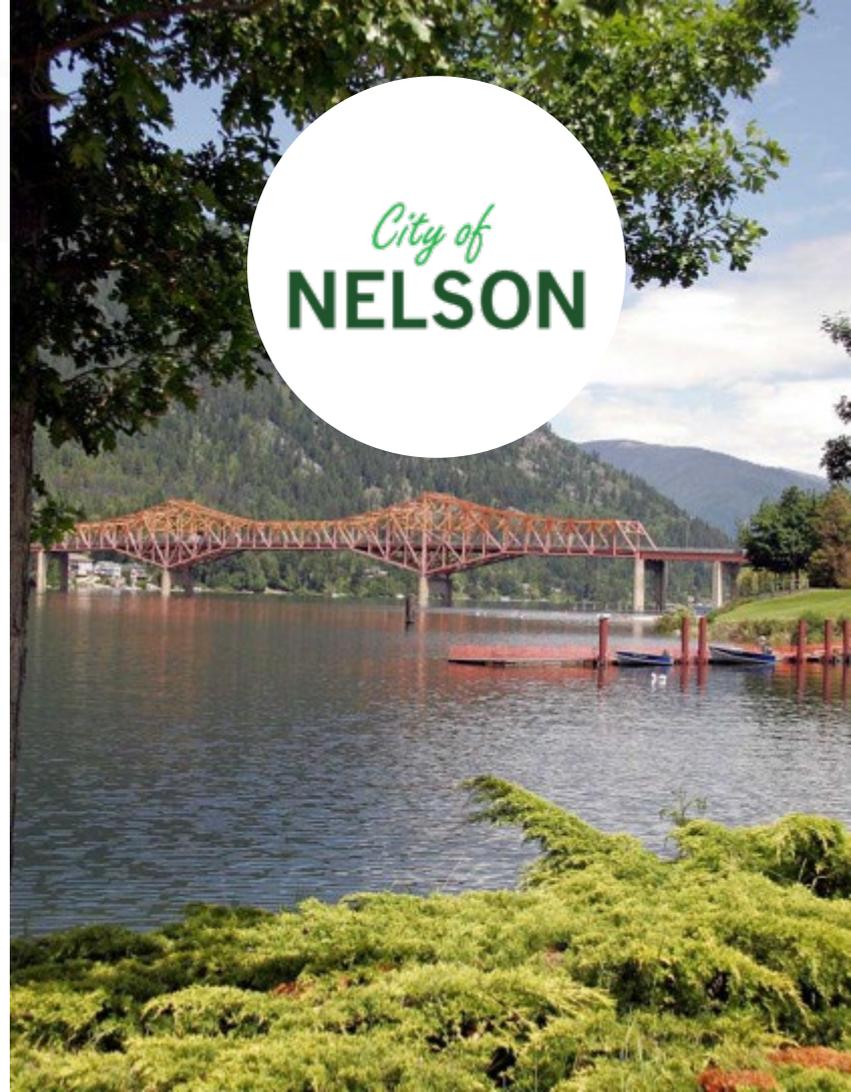
3

Team members are able to effectively monitor STRs



100%

Compliance with local laws



Truckee, California

Goal: Collect transient occupancy tax related to the growing number of STRs.



400 Properties identified



36% More taxes collected



80% Compliance rate



TRUCKEE™
Base camp for a big life

“We’ve used the [Host Compliance] data to be able to proceed with our compliance efforts.”

— *Chrissy Earnhardt, Administrative Services Manager*

HOST COMPLIANCE



Garden Grove, California

Goal: Obtain evidence to cite illegal short-term rentals



229

Listings identified



4X

Efficiency



80

Citations



"Host Compliance really helps out with analysis. We're able to save a lot of Code Enforcement time and resources so we can address other issues in the community.

- Pete Roque, Code Enforcement Supervisor

HOST COMPLIANCE



Why Government Leaders Choose Granicus

Trusted by thousands of government agencies at all levels



Secure

Security-First

FedRAMP authorized; Tier III, DOD-approved data centers; Private vs. Public cloud.



Simplified

One Platform

Streamline digital services by consolidating to a single platform vs. multiple vendors and applications.



Supported

1 Team, 24/7

Around-the-clock support and training for your entire team; three types of support available – technical, success, adoption.



Innovation Leader

First-to-Market Technology

\$20M Invested Annually in R&D, Foremost innovator of government SaaS technology, with 5 first-to-market solutions.



In TX we are currently partnering with 26 local agencies to address their STR related challenges

- Point Venture, TX
- Granite Shoals, TX
- Farmers Branch, TX
- Bandera County TX
- Lubbock County TX
- Midland County TX
- San Jacinto County TX
- Arlington, TX
- Kerrville, TX
- Jamaica Beach, TX
- Wimberley, TX
- Helotes, TX
- Johnson City, TX
- Marble Falls, TX
- Grand Prairie, TX
- Little Elm, TX
- Granbury, TX
- Georgetown, TX
- Fredericksburg, TX
- San Marcos, TX
- Horseshoe Bay, TX
- Lufkin TX
- Hurst TX
- Volente TX
- Lovers Lane Condominiums
- Rise Association Management Group, LLC

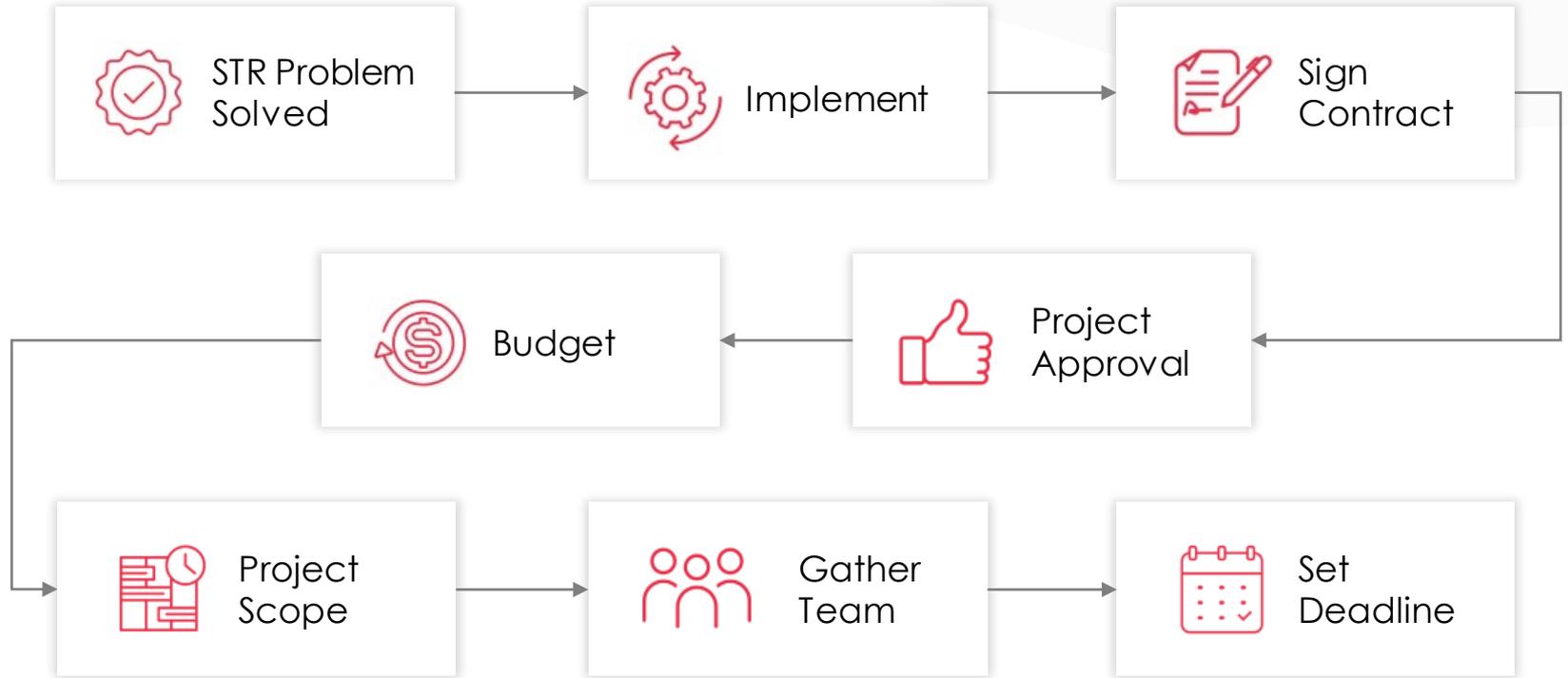
In the broader Southwest we are already serving 46 forward-thinking local government agencies

- Horseshoe Bay, TX
- Tulsa, OK
- Marble Falls, TX
- Norman, OK
- Granbury, TX
- Las Cruces, NM
- Georgetown, TX
- Johnson City, TX
- Biltmore Terrace Condominiums
- Alto Lakes Special Zoning District
- Volente TX
- Vistancia HOA
- Wigwam Creek South HOA
- Helotes, TX
- Fredericksburg, TX
- Wimberley, TX
- Grand Prairie, TX
- Little Elm, TX
- Lawton, OK
- Jamaica Beach, TX
- Lincoln County NM
- Rio Arriba County NM
- Taos, NM
- San Marcos, TX
- Lovers Lane Condominiums
- The Islands Community Association
- Rise Association Management Group, LLC
- Santa Fe City, NM
- Santa Fe County NM
- Hurst TX
- Point Venture, TX
- San Jacinto County TX
- Kerrville, TX
- Arlington, TX
- Bullhead City, AZ
- Bandera County TX
- Lubbock County TX
- Midland County TX
- Farmers Branch, TX
- Broken Arrow, OK

Modular pricing tailored to Pflugerville's short-term rental needs

 Address Identification	Automated monitoring of 70+ STR websites and online dashboard with complete address information and screenshots of all identifiable short-term rentals.
 Compliance Monitoring	Ongoing monitoring of STRs for zoning and permit compliance coupled with systematic outreach to illegal short-term rental operators.
 Mobile Permitting	Online forms and back-end systems to streamline the registration process and capture required documentation, signatures and payments electronically.
 Tax Collection	Make tax reporting and collection easy for hosts and staff to submit and review online.
 24/7 Hotline	Make it easy for neighbors to report, prove, and resolve non-emergency short-term rental related problems in real-time, any day, at any hour.
 Rental Activity Monitoring	Estimate occupancy or rental revenue for each property and identify audit candidates who are under-reporting on taxes or exceeding occupancy regulations.

Working backwards to a solution to address Pflugerville's STR challenges





Next Steps

I. Send Meeting Summary & Presentation

II. Schedule All Team Value Meeting

Participant: Administration, Finance, Planning, Code Enforcement, Elected Officials

III. Confirm Performance Goals & Metrics

Participant: Administration, Finance, Planning, Code Enforcement, Elected Officials

- a) Return on Investment Experienced by Peer Governments
- b) Alignment on Success Metrics/KPIs

IV. Develop Joint Action Plan for addressing Pflugerville's needs

Participant: Administration, Finance, Planning, Code Enforcement, Elected Officials

- a) Set appropriate expectations
- b) Efficiently utilize staff time
- c) Address requirements, fit, and value
- d) Optimize time to completion while ensuring highest quality

Contact Info

Please feel free to contact us anytime if you have any questions about short-term rental compliance and how to best address the associated monitoring and enforcement challenges.

Mike Bozich

mike.bozich@granicus.com